

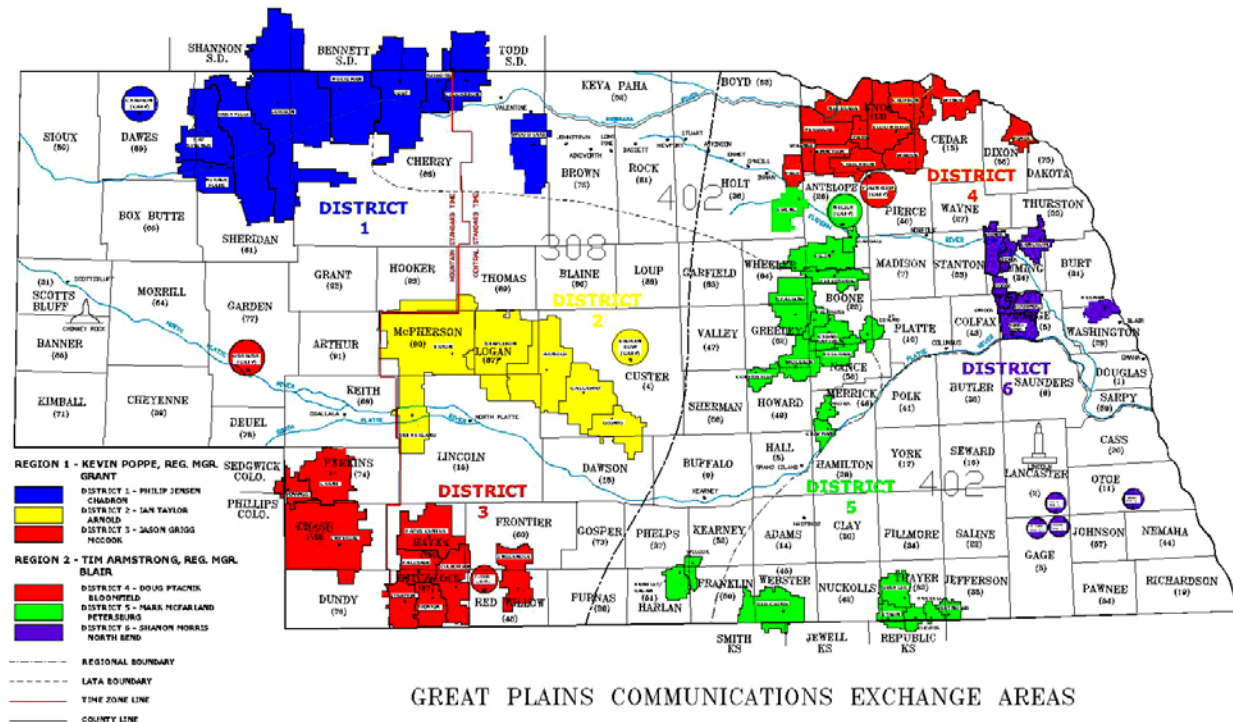
Call Blocking and Rural Consumers - The Effects of Inter-carrier Compensation Avoidance

Great Plains Communications
Blair, Nebraska
Nov. 3, 2010

About Great Plains Communications

- About 26,000 lines in 68 exchanges
- More than 14,000 square miles, with fewer than 2 lines per square mile
- About 2,500 miles of fiber transport facilities

Great Plains serves an area larger than Connecticut, New Jersey and Rhode Island combined



GPC's Access Avoidance Issues

- ▶ **Great Plains has significant concerns over interexchange calls that fail to terminate to our network**
 - Problems began in February 2010
 - Has resulted in –
 - Customer service interruptions and complaints
 - Loss in terminating access revenue
- ▶ **Other rural LECs report similar problems**

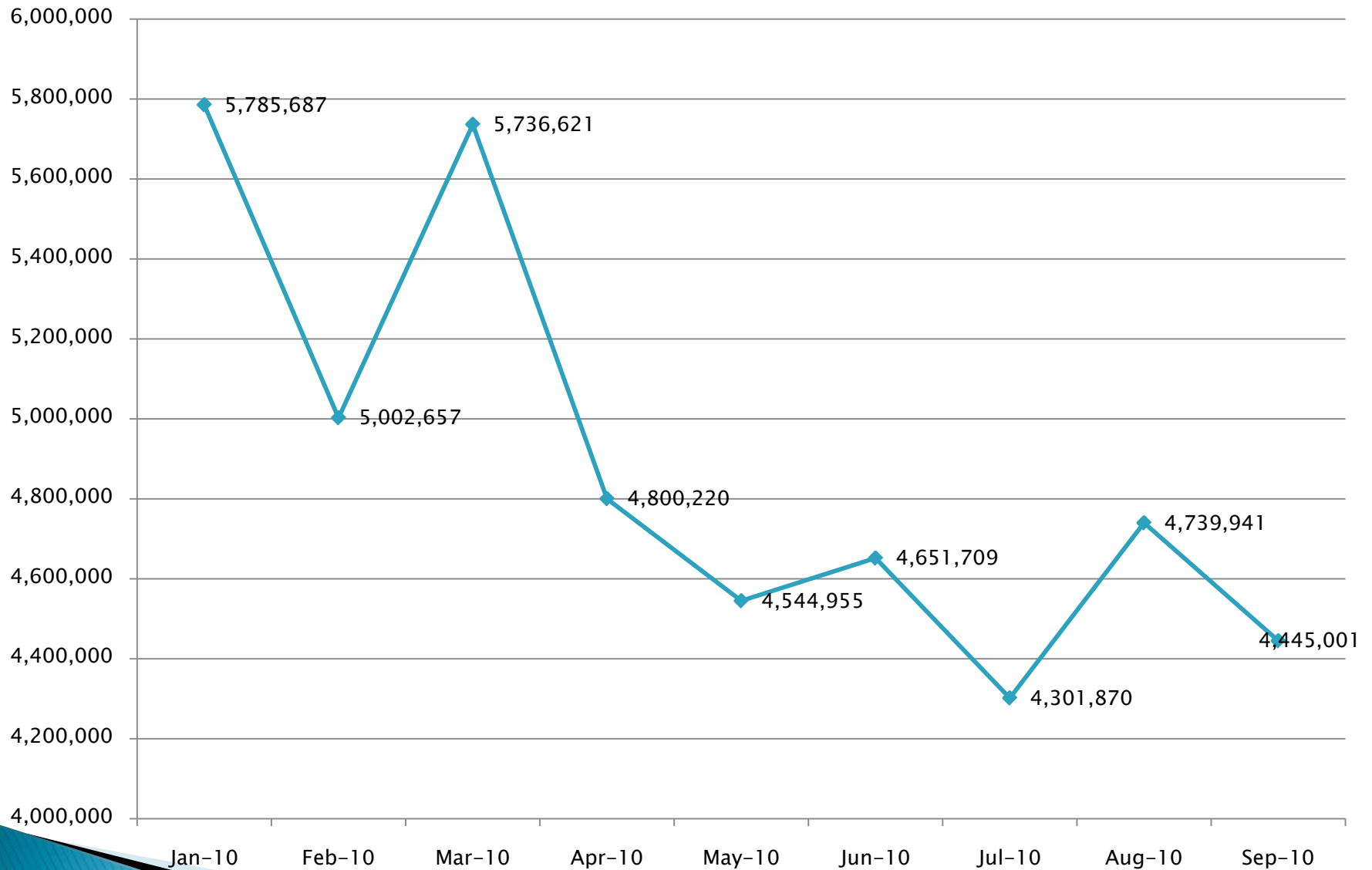
GPC's Access Avoidance Issues (cont.)

- ▶ **Coincident with major fluctuations in terminating minutes from various carriers**
 - Abnormally large decline in terminating access minutes beyond expected trends
 - Occurring statewide across our network
 - Involves both interstate and intrastate terminating access traffic
 - Involves both originating wireline and wireless traffic
- ▶ **Customers continue to suffer due to call incompleteness issues**

Additional GPC Access Issues

- ▶ Some carriers have refused to pay Great Plains' tariffed switched access rates
 - Occurred about same time as terminating call issues started
- ▶ Currently in disputes with two carriers
 - Carriers dispute transport mileage
 - Have worked informally with both carriers
 - Have filed a formal complaint at the Nebraska PSC against Sprint
- ▶ Great Plains continues to suffer financial loss in *addition* to the customer impacts discussed previously

GPC Total Terminating Access Minutes by Month for 2010



GPC Customers' Experiences

- ▶ **Customer call completion “Symptoms”**
 - Ring tone with no caller on line
 - “Dead Air”
- ▶ **Has resulted in customer confusion and frustration**
 - Non-GPC customers around the country don't understand or care about the reason why they cannot complete calls to GPC customers
 - Customers often blame GPC
- ▶ **GPC suspects that many calls don't reach GPC's network or the tandem that GPC sub-tends**
 - Makes it difficult to trace calls and troubleshoot issues

AT&T is Aware of Call Blocking Activity

“I have been told by rural carriers that some other IP-based providers have taken the FCC’s silence (on call blocking) as license to block calls more generally to rural areas to which they are unable to complete calls at the rates they prefer.”

**Hank Hultquist
AT&T Public Policy Blog
October 15, 2010**

GPC Analysis of Termination Issues

- ▶ Increase in non-completed calls are *not* due to inadequacies of GPC's network
 - Timing of non-completed calls occurred approximately when GPC received notices of access billing disputes from two IXC's
- ▶ Approximate 20% drop in access minutes and messages over two-month period
 - No identifiable legitimate basis for such a sudden drop
 - GPC has confirmed proper routing in the LERG with respect to traffic destined to terminate at GPC
- ▶ Possible problems with multi-frequency signaling translations between IP transport and GPC network
 - Originating call numbers are missing/altered in billing records
- ▶ Large increase in unanswered calls across GPC exchanges

Actions GPC is Taking To Address Access Avoidance

- ▶ **Working with GPC customers and originating callers of other carriers**
 - GPC has talked to over one hundred non-GPC customers from late June to mid October 2010 who were blocked from reaching GPC customers
- ▶ **Performing traffic study to compare SS7 messages to billing records in attempt to find “missing calls”**
 - Results pending
- ▶ **Conducting investigations which are expensive, time-consuming and conducted with no specific obligation from suspected carrier(s) to cooperate.**
 - Trouble reports have been submitted to carrier(s) GPC suspects may be source of problem – with no response.
- ▶ **Reported blocking problems to Nebraska PSC**

“Least-Cost Routing” Could be a Cause of Call Termination Problems

- ▶ Carriers are using LCR to reduce terminating costs
 - Appear to sacrifice call quality
 - Carriers may not complete calls to terminating customers
- ▶ Direct violation of FCC Order
 - “Commission precedent provides that no carriers, including interexchange carriers, may block, choke, reduce or restrict traffic in any way.” *In the Matter of Call Blocking by Carriers*, DA 07-2863, para. 6 (June 28, 2007).
- ▶ Non-termination is in effect “call blocking”
 - Cost reduction/elimination for underlying carrier
 - Forces end user to choose another carrier that does not block, choke or restrict traffic via LCR, or to cease making calls to that location.
- ▶ Results in customer isolation, disruption of interstate commerce, degradation of the PSTN, and conflicts with interconnection and universal service principles.

Great Plains Proposes These Remedies by FCC and State Regulators – Action is Needed Now

- ▶ Reaffirm that all traffic, IP– and circuit-switched, is required to pay proper jurisdictional compensation for originating and terminating access.
- ▶ Declare non-payment of tariffed ICC charges to be unlawful
 - Disputes over tariffed charges must be resolved via tariffed dispute resolution procedures or through regulatory intervention, not through withholding of payments and blocking of traffic.
- ▶ Declare intention to impose significant fines on carriers found to knowingly cause blocked calls
- ▶ Investigate routing-practices of wholesale carriers, including VoIP transport providers
- ▶ Enforce LERG routing requirements to designated tandems